

## May 20, 2009 - Slaughter Votes to Send Credit Cardholder's Bill of Rights to Obama

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RELEASE

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to Send Credit Cardholder's Bill of Rights to Obama

Slaughter: "It's About Time the  
Credit Card Companies Lost One"

Washington, DC &dash; Today,  
Congresswoman Louise M. Slaughter (D-NY-28), Chairwoman of the House  
Committee on Rules, voted to bring common sense reform and consumer  
protections to the credit card industry. The Credit Cardholder's Bill of  
Rights passed the House of Representatives today and will now be sent to  
President Obama to be signed into law.

The Credit Cardholders' Bill  
of Rights will end the unfair practices of the credit card industry and  
protect consumers from the abusive tactics that have driven so many Americans  
deeper and deeper into debt.

"After years of taking advantage of American consumers, it's about time the credit card companies lost one," said Rep. Slaughter. "This Credit Cardholder's Bill of Rights is fundamentally about fairness for the average consumer who deserves to be treated fairly and honestly by their card companies, not hit with fees and interest rate hikes."

Rep. Slaughter, a longtime advocate of greater protections for student credit cardholders, successfully lobbied for the inclusion of measures similar to those in her legislation — the Student Credit Cardholder's Protection Act — to safeguard young consumers under the age of 21 from credit card debt.

## BACKGROUND

The Credit Cardholder's Bill of Rights levels the playing field between card issuers and cardholders by applying common sense regulations that would ban most retroactive interest rate hikes on existing balances, double-cycle billing and due-date gimmicks.

The bill is part of our long-term plan to rebuild our economy in a way that is consistent with our values of responsibility and hard work, not high-flying finance schemes. As American families are being forced to tighten their belts during this economic crisis, the lending industry that has found new ways to make profits around old regulations, and faced little oversight, needs a reality check too.

Specifically, the bill bans most interest rate increases on existing balances and increases notice of interest rate hikes going forward on new purchases. It requires that bills be sent 21 days before the due date; prohibits charging fees just to pay a bill by phone, mail or web; bans over-the-limit fees unless a consumer opts-in in advance; bans due-date tricks; requires payments to be applied fairly to the highest interest rate balance first; and strengthens credit card protections for young people.

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